



House of Representatives

File No. 746

General Assembly

January Session, 2005

(Reprint of File No. 265)

Substitute House Bill No. 6915
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 12, 2005

AN ACT CONCERNING PORTABILITY UNDER HEALTH CARE PLANS ISSUED THROUGH THE HEALTH REINSURANCE ASSOCIATION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-553 of the general statutes is amended by
2 adding subsection (k) as follows (*Effective October 1, 2005*):

3 (NEW) (k) (1) Each comprehensive health care plan issued through
4 the Health Reinsurance Association shall provide coverage, under the
5 terms and conditions of the plan, for the preexisting conditions of any
6 group member or dependent who is newly insured under the plan on
7 or after October 1, 2005, and was previously covered for such
8 preexisting condition under the terms of the group member's or
9 dependent's preceding qualifying coverage, provided the preceding
10 qualifying coverage was continuous to a date less than one hundred
11 twenty days prior to the effective date of the new coverage, exclusive
12 of any applicable waiting period, except in the case of a newly insured
13 group member whose preceding qualifying coverage was terminated
14 due to an involuntary loss of employment, the preceding qualifying

15 coverage must have been continuous to a date not more than one
16 hundred fifty days prior to the effective date of the new coverage
17 under the plan, exclusive of any applicable waiting period, provided
18 the requirements of this subdivision shall only apply if the newly
19 insured group member or dependent applies for such succeeding
20 coverage not later than thirty days after the first day of the member's
21 or dependent's initial eligibility.

22 (2) With respect to a group member or dependent who was newly
23 insured under the plan on or after October 1, 2005, and was previously
24 covered under qualifying coverage, but was not covered under such
25 qualifying coverage for a preexisting condition, as defined under the
26 newly issued comprehensive health care plan, such plan shall credit
27 the time such group member or dependent was previously covered by
28 qualifying coverage to the exclusion period of the preexisting
29 condition provision, provided the preceding qualifying coverage was
30 continuous to a date less than one hundred twenty days prior to the
31 effective date of the new coverage, exclusive of any applicable waiting
32 period under such plan, except in the case of a newly insured group
33 member whose preceding qualifying coverage was terminated due to
34 an involuntary loss of employment, the preceding qualifying coverage
35 must have been continuous to a date not more than one hundred fifty
36 days prior to the effective date of the new coverage, exclusive of any
37 applicable waiting period, provided the requirements of this
38 subdivision shall only apply if such newly insured group member or
39 dependent applies for such succeeding coverage not later than thirty
40 days after the first day of the member's or dependent's initial
41 eligibility.

42 (3) As used in this subsection, "qualifying coverage" means coverage
43 under (A) any group health insurance plan, group insurance
44 arrangement or self-insured plan covering a group, (B) Medicare or
45 Medicaid, or (C) an individual health insurance plan that provides
46 benefits which are actuarially equivalent to or exceeding the benefits
47 provided under a small employer health care plan, as defined in
48 section 38a-564, whether issued in this state or any other state, as

49 determined by the Insurance Department.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2005</i>	38a-553
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The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill requires comprehensive healthcare plans through the Health Reinsurance Association to cover preexisting conditions under certain circumstances. The bill has no fiscal impact.

House "A" is a strike all amendment which replaced the original bill.

OLR Bill Analysis

sHB 6915 (as amended by House "A")*

AN ACT CONCERNING PORTABILITY UNDER PLANS ISSUED THROUGH THE HEALTH REINSURANCE ASSOCIATION**SUMMARY:**

This bill requires comprehensive health care plans issued through the Health Reinsurance Association (HRA) to cover a preexisting condition for a group member or dependant who is newly insured on or after October 1, 2005 if the insured's former plan provided such coverage. If the former plan did not cover the condition, the new HRA plan must credit the time the insured was covered under the former plan toward the exclusion period for a preexisting condition under the HRA plan.

To be eligible for these provisions, the insured must apply for the HRA plan within 30 days of initial eligibility. In addition, his former plan must have terminated no more than 120 days before the effective date of the HRA plan (150 days if the termination was due to involuntary loss of employment), excluding any waiting periods.

Former plans include (1) any group health insurance plan, arrangement, or self-insured plans; (2) Medicare or Medicaid; or (3) an individual insurance plan that provides actuarially equivalent benefits at least equal to small employer health care benefits.

*House Amendment "A" replaces the original bill, which extended the prohibition on imposing benefit limits or exclusions based on preexisting conditions to anyone who maintained creditable health insurance coverage or short-term health insurance coverage for 90 days as of the date on which he sought to enroll.

EFFECTIVE DATE: October 1, 2005

BACKGROUND***Health Reinsurance Association***

The Health Reinsurance Association is a health insurance risk pool whose members consist of insurers, HMOs, and self-insurers doing business in Connecticut. It makes individual and group comprehensive health care plans available to people unable to obtain insurance coverage through other means. It administers a reinsurance program and pools risk among participating members. Members share association losses.

Comprehensive Health Care Plans

By law, all individual and group comprehensive health care plans must include specified minimum benefits, including coverage for catastrophic illness and a lifetime maximum coverage of \$1 million. The plans may include cost containment features, such as preferred provider provisions and utilization review of health care services.

Related Bill

HB 6865 (File 179) redefines "health insurance" for comprehensive health plan purposes.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 16 Nay 0